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Selective Registry

DU-6940

20 June 1975

MEMORANDUM FOR: The Director

SUBJECT : Possible Senate Select Committee Staff
Briefing

1. Attached is Howard Stoertz' and [redacted] first cut at the outline of a possible briefing for the Senate Select Committee staff on how National Estimates are produced and the problems involved in their production using strategic Estimates as a concrete example and employing three years -- 1964, 1970 and 1974 -- as illustrative concrete benchmarks.

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X1 2. Howard leaves for [redacted] tomorrow (21 June). If you have a chance during the latter part of the afternoon we would like to caucus with you so that we may jointly discuss his ideas while he is still in Washington. After we get jelled conceptually with you, we will circulate copies of this proposal to others -- Ed Proctor, Carl Duckett, etc., for their comments and reactions.

[redacted] 25X1

George A. Carver, Jr.
Deputy for National Intelligence Officers

Attachment

O/D/DCI/NIO:GACarver/mee
Distribution
Orig - DCI w/att
1 - ER w/o att
1 - NIO/SP w/o att
1 - D/NIO Chrono w/o att
1 - NIO/SP "Soft" w/o att
1 - NIO/RI

E-2, IMPDET
CL BY [redacted]

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R E D R A F T: HRDeB

18 June 1975

BRIEFING OUTLINE

Purpose: To describe the production of National Intelligence Estimates in sufficient detail to permit an evaluation of

- the relevance of NIEs to policymakers
- the effect of foreign policy preferences of intelligence agencies on the objectivity of their judgments in NIEs
- the effectiveness of NIEs in reflecting divergent opinions
- the effect of the 1973 changes in NIE production on the quality, independent judgment and utility of the estimate.

Subjects:

- I. DCI concept for the production of national intelligence. (Mr. Colby)
- II. The NIO system and how it operates. (Mr. Carver)
- III. National Intelligence Estimates on Soviet strategic forces, 1964-1974--an example of NIE production. (Mr. Stoertz)
- IV. The use of NIEs in decisionmaking. 25X1

EXPANDED OUTLINE

III. National Intelligence Estimates on Soviet Strategic Forces, 1964-1974
(an example of NIE production)

A. Introduction

1. Production process for National Intelligence Estimates is subordinate to and interacts with the policymaking and defense planning apparatus.

--Policy and security decisions give orientation to NIE production.

--NIE judgments affect policy and security decisions.

2. Production of NIEs on Soviet strategic programs is a continuous and dynamic process affected most importantly by

--the strategic situation (in which the two sides act and react).

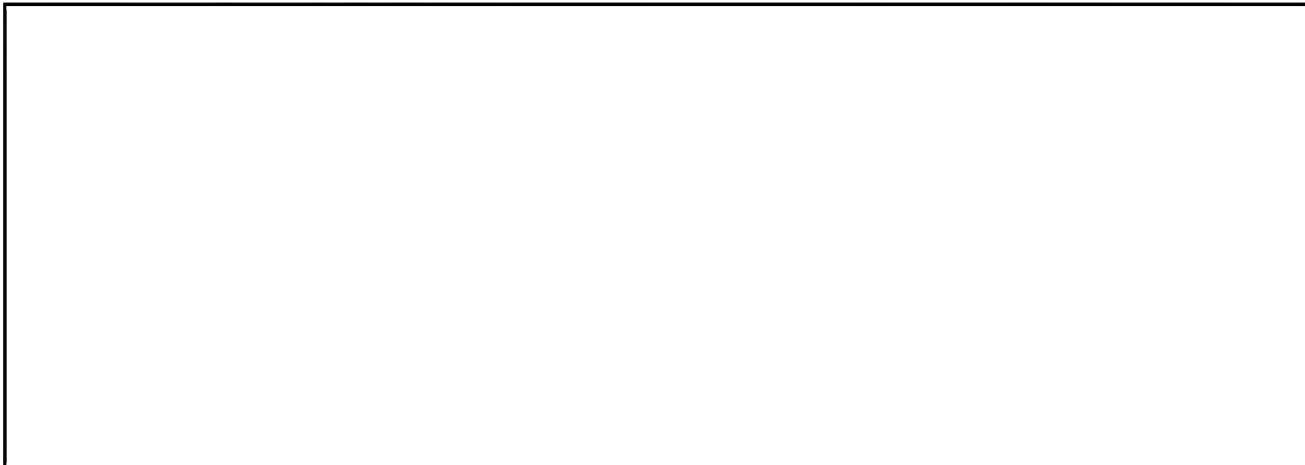
--the characteristics of US and Soviet weapon systems.

--the intelligence information available.

3. NIEs for 1964, 1970 and 1974 will be discussed in terms of these three factors--the strategic situation, weapon characteristics and information available.

B. The Strategic Situation

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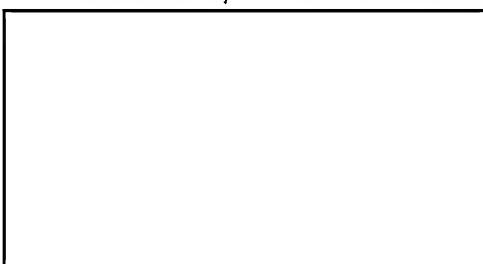
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Representative
C. Characteristics of Strategic Weapon Systems (1964-1974)



D. Intelligence Information Available

1. With the greater complexity and sophistication of strategic weapon systems, intelligence tasks have become much more difficult. At the same time, however, intelligence capabilities have improved.
2. Comparison of imagery quality--1964 and 1974.
 - a. 1964 (information being prepared by IAS)
 - b. 1974 (information being prepared by IAS)
3. Comparison of

 - a. 1964 (information being prepared by OWI)
 - b. 1974 (information being prepared by OWI)

4. Comparison of capability for 25X1
 - a. 1964 (information to be acquired)
 - b. 1974 (information to be acquired)

E. The NIE Production Process

1. 1964
 - a. Agency contributions.
 - b. ONE Staff drafting.
 - c. ONE Board review.
 - d. USIB representatives review.
 - e. USIB principals approve.

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2. 1970

- a. Agency contributions.
- b. CIA Analytical staff drafting.
- c. ONE Board review.
- d. USIB representatives review.
- e. USIB principals approve.

3. 1974

- a. Interagency research studies.
- b. Interagency teams draft parts of the estimate.
- c. CIA production manager prepares consolidated draft.
- d. NIO and USIB representatives review.
- e. USIB principals approve.

4. Evolution of the production process.

a. Throughout the period.

--NIEs have been produced by the USIB to support decision-making at the highest levels of government.

--The production process has allowed and encouraged expressions of differing interpretations of evidence and dissenting judgments.

b. Changes in the production process--the timing, the format and the degree of detail--have resulted from a combination of influences in addition to the strategic situation, weapon characteristics and the information available:

--Changes in the style and needs of Administrations (e.g., single best estimates of the mid-1960s or descriptions of options and alternatives of the 1970s).

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- Changes in the primary locus and technique of planning and decisionmaking (e.g., OSD Systems Analysis, NSC and its subgroups, NSSM/NSDM mechanism).
- Increasing importance to defense planning of technical judgments about the qualitative characteristics of Soviet strategic systems.
- Greater interaction between intelligence estimating, defense analysis, and policymaking bodies (e.g., in SALT).

c. These influences have resulted in

- A shifting of organizational responsibility for NIE production away from a separate Office of National Estimates subordinate to USIB--first to more CIA involvement, then to direct involvement of all intelligence agencies in NIE preparation as well as the review.
- As more information became available and in view of the greater technical complexity of subject matter, the estimating process shifted to begin with a broader evidential base and technical analyses.
- As US defense policy called more and more for selecting planning hedges, NIEs contained more complex alternative future force projections.

F. Effectiveness in Exposing Divergent Opinions.

1. The NIE production process not only allows for, but also requires the expression of divergent views.

a. In the text of the estimate or in footnotes. Degree of supporting detail depends on the subject of disagreement.

b. Whether the divergent view is expressed in a footnote or in the text also depends on the subject matter.

2. Two categories of divergent views:

a. Dissents of principals (sometimes an institutional position). These have invariably appeared in NIEs.

Differences analysts,

b. Dissents among analysts, regardless of institutional affiliation. These types of dissents are elaborated in NIEs, often as the basis for uncertainties. Agency attribution of analytical dissents--if shared by principals--are sometimes revealed.

c. The NIO concept and its implementation in production of intelligence on strategic programs, provides more opportunity to surface divergent views of analysts and alternative interpretations of evidence.

--Interagency reports and studies are prepared by experts of intelligence producing organizations.

--Drafting of sections of NIEs is by interagency teams of experts from producing organizations.

G. Objectivity and Foreign Policy Preferences of Intelligence Agencies.

1. The charge of "budgeteering" in National Intelligence Estimates or shaping NIEs to support given policy convictions is largely undeserved and much overemphasized.

a. Assumes a position is taken contrary to fact or evidence.

b. So-called "institutional positions" are not taken in the face of compelling evidence to the contrary; they are taken when evidence does not foreclose the institutional interpretation.

2. We believe that there is value in exposing decisionmakers to differing interpretations whether by institutions or analysts.

3. Objectivity in intelligence estimating as in policy formation and defense planning, does suffer from the heavy influence of the most recent national or institutional experience, e.g., underestimation of Soviet ICBM inventories following the overestimates of the "missile gap" period.

H. NIO Objectives for the Further Evolution of the NIE Production Process.

1. Better integration of offensive and defensive aspects of Soviet capabilities.

2. More precise quantitative expression of confidence and uncertainty.

3. More interaction with defense analysis and policymakers.

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4. New techniques for predictive analysis.
5. Better analysis of the impact of predicted forces on the US-Soviet relationship.

I. The Hits and Misses--How Well Have We Done?

1. Pertinent general question: Has US policymaking and security planning been disadvantaged because of incorrect estimates or the lack of estimates about important developments in Soviet strategic forces?

2. Intelligence leadtime for specific developments.

a. Has improved since 1964 in some areas.

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b. Has been made more difficult by

c. Has been adequate for US defense planning.

3. Forecasts of future inventories.

a. ICBM deployment underestimated, 1964-1970.

b. SLBM estimates were slightly high in 1964; about right in 1970.

c. ABM estimates were about right. Deployments beyond Moscow were forecast but heavy deployments were not. ABM Treaty intervened.

d. Heavy bomber inventories did not decline as forecast.

e. Estimates of Soviet air defense inventories were about right, although there were some variations in projections of specific models of SAMs and interceptors.

4. Forecast of overall Soviet policies, strategy and goals.

a. 1964 - Soviet goals were assessed as something less than parity with the US.

b. 1969 - Soviet goals were estimated to be rough parity with some measure of superiority equally possible.

c. 1974 - Consistent with the 1969 estimate.

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5. Sample issues: Characteristics of SA-5, SS-9 triplet, Backfire bomber.

J. Summary

1. NIE production process has evolved in response to changing strategic situation, weapon characteristics and information available.
2. Intelligence capabilities have improved, but the nature of the estimating task has become more difficult with the increased complexity and sophistication of strategic weapons.
3. Current NIE production process is closely related to defense analysis and policymaking; begins with broad evidential and analytical base from which more general conclusions are derived.
4. Estimates of the 1960s tended to underestimate the quantitative threat, but intelligence forecast new Soviet systems well in advance of their operational availability.
5. Objectivity in NIE judgments has been maintained and it is believed that measures to insure exposure of dissenting views have been improved.

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IV. THE USE OF NIES FOR DECISIONMAKING

A. NIE Consumers

1. NIEs once regarded as primarily for use by the NSC.
2. NIEs on strategic programs provide a common basis for the entire process of strategic force planning--from operating military commands to the White House.
3. NIE consumers are legion.

B. Consumer Criticisms of NIEs on Strategic Programs and Their Needs are Conflicting.

1. Need shorter estimates covering policy-relevant issues; need detailed quantitative data for ten-year projections.
2. Need "alternative" force projections; need "best estimate" projections.
3. Need to eliminate giant annual set pieces; need comprehensive annual reviews--no piece meal approach.
4. As a result of attempting to meet all these requirements the large annual NIEs have been criticized as
 - All things to all men.
 - Conclusions buried in welter of detail.

--Judgments and production postponed waiting for NIE issuance.

--Long leadtime; get rid of date quickly.

C. Present NIEs on Strategic Programs

1. National production program for the entire year supports annual NIE preparation during last quarter.

a. Interagency intelligence research and production on the most critical issues.

b. Agency production oriented to the DCI's Key Intelligence Questions.

c. Estimates derived from broadest possible evidential and analytical base.

2. Format of the NIEs intended to serve multiplicity of consumers by organizing material on strategic offensive and defensive forces into a single document treating the subject in increasing order of detail--going from the general to the particular.

a. Volume I. Contains the important policy relevant judgments.

b. Volume II. Contains the basic estimate and provides all levels of users assessments of (1) Soviet policies, goals and strategy; (2) developments in offensive and defensive forces; (3) operational capabilities; and (4) estimates and projections of future forces.

c. Volume III. Along with interagency studies and reports referred to in the estimate, contains more detailed information on special subjects.

D. Relevancy of the NIEs to Policymakers and Their Use.

(to be provided by policymaker)